

Overview



The budget constraints of this past year demonstrated the increasing need for strategic partnerships and shared goals among transportation agencies and stakeholders. DRPT is proud of what we accomplished through Public Transportation Providers; Commuter Assistance Agencies; Passenger, Freight and Short-Line Rail Operators; VDOT; the Virginia Economic Development Partnership; and Human Service Transportation Providers. We also established several private sector partnerships that resulted in new ideas and investments.

We are grateful for the leadership of Governor Mark Warner, Secretary of Transportation Whittington Clement, the Commonwealth Transportation Board, and the General Assembly. Under their guidance, the Department of Aviation, the Virginia Port Authority, VDOT and DRPT have worked together to integrate all modes of transportation through VTRANS 2025. This long-range transportation plan defines a creative, yet cost-effective vision for our mobility, environmental quality and economic vitality. It focuses on the growing demand for a multi-modal transportation perspective, while elevating the awareness and importance of our rail and public transportation programs.

While we have set the framework for success through our partnerships, we face significant challenges in the coming year. At the federal level, reauthorization of the six-year transportation bill has been delayed until May 2005 and improving security for all of our transportation systems has become essential. At the state level, revenues are lagging behind the needs documented in DRPT's 2004 "Six-Year Rail, Public Transportation and TDM Needs Study," and our highway network is in a similar, if not worse, position. Continuing the trend of underfunding transportation is threatening our ability to provide the mobility, quality of life and economic strength that makes Virginia the ideal place to raise our families and pursue business.

Facing these constraints, the Commonwealth Transportation Board has recognized our contribution as a smart way to increase the capacity of the transportation system by moving more people in fewer vehicles and more freight by rail. Our thanks go to VDOT Commissioner Philip Shucet and his team for continuing to support DRPT as an independent agency, while helping advance our inter-dependent programs and projects.

In closing, I encourage you to learn more about DRPT's transportation programs and projects. Ride your local bus, Metrorail, the Virginia Railway Express (VRE), or Amtrak. Save time in HOV lanes by riding in a carpool or vanpool. Talk to local companies about how transportation impacts their business. You will soon discover why rail and public transportation can be the smartest distance between two points.



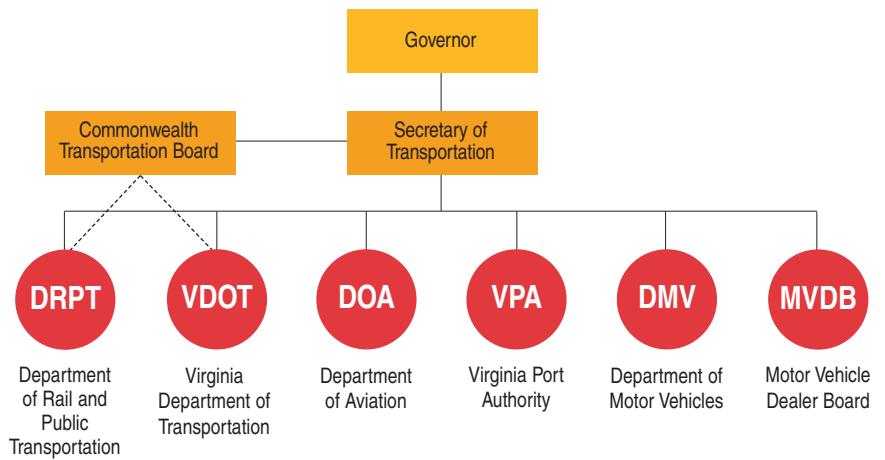
Karen J. Rae, Director

Karen J. Rae

**DRPT—
The smartest distance
between two points.**



DRPT supports the Washington Metropolitan Area Transit Authority (WMATA) commonly known as "Metro" service in northern Virginia.



Purpose

DRPT has 44 employees, in three offices throughout the Commonwealth, who work with public and private partners to provide technical expertise, financial support, planning and project management and program advocacy. Together, DRPT and its partners deliver essential rail, public transportation and commuter assistance services.

DRPT's Director reports to the Secretary of Transportation and is a non-voting member of the Commonwealth Transportation Board (CTB). The CTB provides policy direction and fiscal oversight for DRPT.



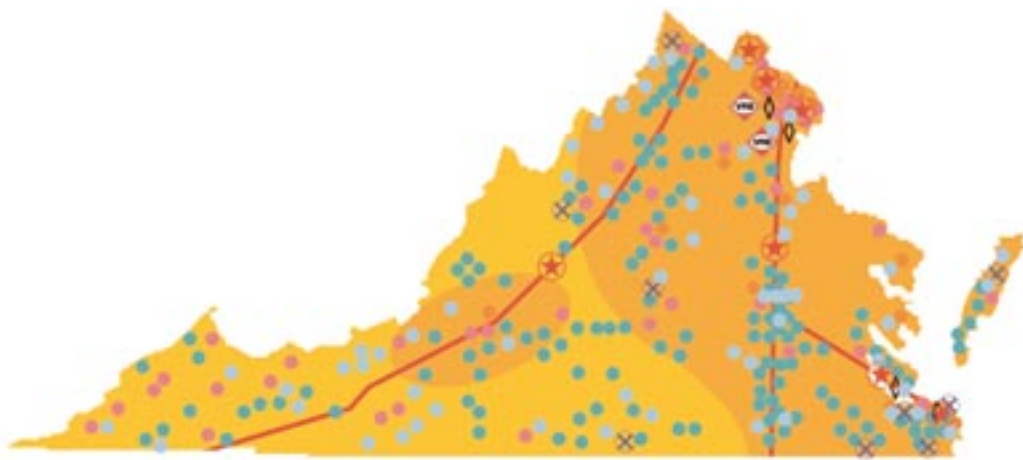
DRPT supported the renovation of Richmond's Main Street Station for passenger train service.



Our Partners

Forty-seven public transportation providers in Virginia operate over 2,000 buses, vans, ferries and rail cars every day. Fifteen commuter assistance agencies promote carpools, vanpools, public transit, walking, biking and telecommuting. Thirty-five human service transportation agencies provide critical transportation services for the elderly and citizens with special needs. These agencies all depend on DRPT to help them plan, implement, maintain and expand the services they provide.

DRPT also works with two Class I Freight Rail Operators and nine Class III Short-Line Operators. These rail services move 30% of Virginia's freight and relieve congestion by diverting 38,000 tractor-trailers from the roads each day. Over the last 15 years, DRPT's Rail Industrial Access Program has resulted in 20,000 new jobs and \$4 billion in capital investments.



- | | |
|---|---------------------------|
| ● Public Transportation Providers | ◆ HOV Systems Support |
| ● Rail Industrial Access Projects | ◆ Commuter Rail |
| ⊗ Short-line Rail Preservation Projects | ★ Special Projects |
| ● Commuter Assistance Agencies | ● Human Service Providers |



DRPT supports forty-seven public transportation providers.

"... 22% of Virginians depend on shared-ride services to get to work."

2000 Census



DRPT supports agencies that provide human service transportation.

- provides technical and financial support for passenger and freight rail
- improves grade crossing safety
- facilitates industrial access
- enables rail preservation



Governor Mark R. Warner (center) celebrates the announcement of the future Portsmouth container terminal development with Thomas Thune Anderson, President and CEO of Maersk, Inc. (left) and Tony Sciosca, President APM Terminals North America (right).



2004 MARKS YEAR OF MAJOR ANNOUNCEMENTS AND ACCOMPLISHMENTS

Governor Warner Forms Rail Commission

Governor Mark Warner issued Executive Order 71 in May establishing the Governor's Commission on Rail Enhancement for the 21st Century. The Commission is charged with examining freight and passenger rail issues, policies and needs, and options for leveraging public and private funding. The Commission submitted its recommendations to the Governor in December 2004.

Single Largest Private Dollar Investment Brings Jobs To Hampton Roads

Governor Warner announced in April that the first major, privately developed container terminal in the country will be built in Portsmouth. This project will add another 210 jobs at MAERSK/APM Terminals and generate more than \$500 million in tax revenues within the first 15 years of operation. This is the single largest private investment in Hampton Roads and is one of the largest on record in Virginia. DRPT's Rail Preservation Funds and potential Industrial Access funds helped attract the private investment and will ensure connectivity to the region's transportation system.

Richmond to DC Higher Speed Rail Moves Ahead

DRPT signed a \$43 million dollar agreement in June to construct six projects by 2007 for the Commonwealth's higher speed rail program from Richmond to Washington, D.C. The projects will add capacity and improve reliability for the Virginia Railway Express, Amtrak and CSX Transportation. The Commonwealth has already committed an additional \$22.7 million for other corridor projects including Quantico and Richmond area improvements. These projects are in various stages of engineering and construction.

Virginia State Rail Plan Completed

The Virginia State Rail Plan (VSRP) was completed in June. The plan addresses public and private rail system conditions, identifies investment needs for intercity passenger and freight rail services and provides policy-level recommendations regarding overall vision, governance, funding and program delivery for Virginia's passenger and freight rail system. The plan is available on-line at DRPT's website: www.drpt.virginia.gov.



CURRENT STUDIES IMPROVE RAIL USAGE AND EFFICIENCY

Richmond to Hampton Roads Higher Speed Rail Under Study

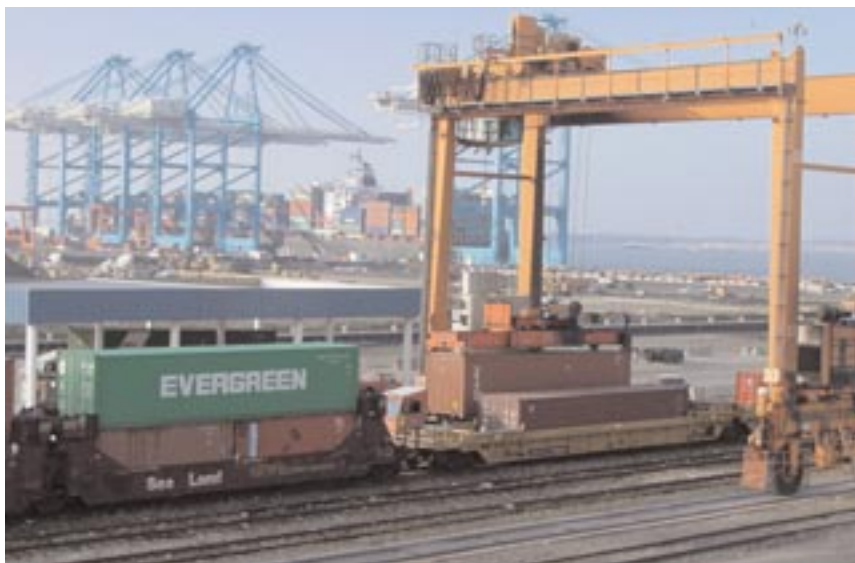
DRPT is examining the feasibility of higher speed passenger rail service between Richmond and Hampton Roads along the I-64 Corridor and Route 460 Corridor. The study is scheduled for completion in 2005 and is being conducted in coordination with VDOT's Environmental Impact Statement (EIS) on the Route 460 Corridor. For more information, visit: www.rich2hrrail.info.

DRPT Partners with North Carolina on Passenger Rail Service

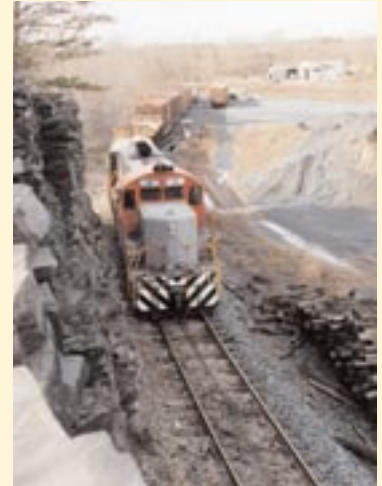
DRPT is conducting an EIS to examine routing from Petersburg, VA to Raleigh, NC as part of the proposed Southeast High Speed Rail Corridor between Washington D.C. and Charlotte, NC. This corridor is one of eleven federally designated high-speed rail corridors and could be eligible for federal funding if it becomes available in upcoming federal reauthorization legislation. For more information on the Southeast High Speed Rail Corridor, visit: www.sehsr.org.

I-81 Truck Diversion Study

A recently completed marketing study by DRPT suggests that with improvements to rail lines in the Virginia portion of the I-81 Corridor, 500,000 trucks annually could be diverted to help relieve congestion. The study also indicates that with rail improvements in the entire multi-state I-81 Corridor, the diversion number could rise to as many as 3,000,000 trucks annually.



Virginia Port Authority



"Railroads carried 20 percent of the freight shipped from Virginia's ports in 2003."

—Virginia Port Authority

"Virginia's rail network removes 9 million trucks annually from Virginia's highways."

—Virginia State Rail Plan



Norfolk Southern, headquartered in Norfolk, employs over 900 people and is one of the nation's largest freight rail service providers.

"Transportation subsidies by the federal government between 1977-2001 break out as follows:

48.4% Highways
22.4% Airlines
12.3% Ports and Water
12.1% Transit
4% Rail "

—US Bureau of Transportation Statistics

Freight Rail Industrial Access Projects

Company	Locality	Projected Employment
Pilgrim's Pride Corp.	City of Harrisonburg	76
ChipCo, Inc.	Louisa County	8
Pounding Mill Quarry Corp.	Tazewell County	20
Rage Corp.	Town of Altavista	25
Bellwood Investments, LLC	Chesterfield County	70
MeadWestvaco	Buckingham County	10
Best Eastern Transfer & Storage Corp.	Hanover County	50
Coca-Cola Enterprises, Inc.	Henrico County	103
Pierce Hardy Limited Partnership	Prince William County	18
Maersk (Rail Preservation Grant)	Hampton Roads	210
TOTAL		590

Virginia Rail by the Numbers

- 1** of the nation's largest freight rail service providers is headquartered in Virginia
- 12** railroads serving the State, including two Class I, nine Class III short-line railroads, and one switching and terminal railroad company
- 18th** national ranking for the number of rail carloads carried in Virginia (2002)
- 25th** national ranking for the number of rail tons carried in Virginia (2002)
- 3,400** miles of railroad track run through Virginia
- 200,000,000** tons of freight transported annually by Virginia's railroads



NEW SERVICES AND FACILITIES INCREASE RIDERSHIP

Transit passenger trips in Virginia grew by a million in FY2004, bringing the year's total to 161 million trips. Several agencies expanded their existing public transportation service, and DRPT helped launch four new rural systems. These include: Culpeper County Transit Service; the Town of Culpeper Connector; the Shenandoah Airport Transit Service; and Page County Transit. Highlights on additional services and facilities being added across the Commonwealth are provided below:

Downtown Passenger Rail Station; Richmond

Main Street Station was re-opened in the heart of downtown, serving Amtrak passengers traveling between Newport News and Washington D.C.

New RADAR Facility; Roanoke

Construction is underway on a \$2.5 million transit facility for RADAR, with completion expected by the end of 2004.

New Mountain Empire Facility; Big Stone Gap

A \$1 million transit facility for Mountain Empire Older Citizens (an area agency on aging and public transit provider) is underway and scheduled for completion in 2005.

JAUNT Expansion; Charlottesville

A \$1.6 million expansion to the existing transit facility is scheduled for completion in 2005.



Richmond's Main Street Station celebrates on Opening Day, December 2003.

- advances public transportation systems, ride sharing, and alternative commute programs
- conducts demonstration projects, research, and planning initiatives
- advocates for improvement of programs at the federal, state, and local levels



RADAR's new transit facility in Roanoke (top) and JAUNT's transit facility expansion in Charlottesville (bottom) are under construction.

"America's families are now spending more than 19 cents out of every dollar earned on transportation."

—Surface Transportation Policy Project, July 2003

"The Virginia Railway Express is one of the fastest growing commuter rail systems in the nation."

– VRE



The Staunton Trolley served its 100,000th customer in July 2004 since service began last year.

"WMATA operates the 2nd largest rail system in the country and the 6th largest bus system."

–WMATA

"If Northern Virginians who normally ride the Metrorail had to drive their cars to work instead, the resulting traffic jam would stretch bumper-to-bumper from Washington D.C. to North Carolina."

–DRPT

Virginia Public Transportation by the Numbers

- 3** national awards earned by Virginia transit agencies at the Community Transportation Association of America (CTAA) EXPO 2004
- 10** "Most Improved Transit Systems in the Nation" named by Metro Magazine includes Potomac and Rappahannock Transportation Commission (PRTC)
- 38** percent increase in annual Four County Transit ridership
- 100,000** customers served by Staunton Trolley in first 2 years of operation
- 413,000** more cars would be on the road in the Washington, DC area if every commuter drove to work
- 161,000,000** trips were carried in FY2004 by transit systems serving Virginia

PLANNING IN PROGRESS

Six-Year Public Transportation Program

DRPT has completed the first six-year state capital improvement program for public transportation in Virginia. Public transportation providers now are able to predict federal and state funding levels for capital projects over the next six years.

VTRANS 2025

As part of the VTRANS 2025 multi-modal planning effort, DRPT has completed a rail, public transportation and transportation demand management needs assessment. It is available on-line at www.drpt.virginia.gov. For complete information on VTRANS 2025, visit: www.vtrans.org.

Washington Metropolitan Area Transit Authority (WMATA) – Metro Matters

In October, the Metro Matters funding agreement between Metro and the state and local governments in the Washington Metropolitan Area was signed. The funding agreement details funding for four urgent priorities: Infrastructure Renewal Program for deferred rail and bus maintenance rehabilitation; Rail Car Program to purchase 120 new rail cars, expand three rail yard shops, and system improvements required for 8-car train operations; Bus Program to purchase 185 new buses, a new maintenance facility, customer services and intelligent transportation systems; and Security Program to provide a continuity of operations (backup operations control center). Total investment equals \$1,440,500,000.



State Agencies Task Force – United We Ride

As the lead agency on Human Service Transportation, DRPT has been awarded a \$35,000 federal grant and has developed a statewide task force to increase services offered to citizens with special needs by improving the coordination among highly specialized human transportation service providers. DRPT is joined on the task force by the Departments of Aging, Mental Health, Retardation and Substance Abuse, Rehabilitative Services, Social Services, Blind and Visually Impaired, Medical Assistance Services and the Board for People with Disabilities.

Intelligent Transportation Systems (ITS) Improve Customer Service

New technology: WMATA's SmarTrip card on buses

Where:

Washington Metropolitan Area

Result:



Entire Metrobus fleet equipped with new fareboxes, which accept SmarTrip (permanent, re-chargeable farecards). Eliminates need for exact change, automatically provides passenger with best fare based on riding habits, saves Metro money by reducing transaction costs and reducing fraud. This technology will be expanded to all public transportation providers in the Washington Metropolitan Area by the end of 2006.

New technology: Mobile data terminal

Where:

Prince William County

Result:



Touch-screen terminals, global positioning satellites, and specialized software integrate routing, dispatching and scheduling. The new system improves the operations of the PRTC's OmniRide bus service dramatically.

New technology: Transit schedule information on PDAs

Where:

Northern Virginia buses and VRE trains

Result:

Transit schedules for all Northern Virginia Public Transportation Providers are now much more accessible making the systems easier to use.

New Rural Transit Service:

Appalachian Area Agency for Senior Citizens

Richlands Connector
Cedar Bluff Connector

BAY Transit

Westmoreland County

Town & County Transit

Kenbridge

Virginia Regional Transportation Association

Purcellville 7 on 7 Service
Rappahannock Express
Culpeper Connector II
Shenandoah Airport Shuttle
Page County Transit Service
Front Royal Transit
250 Connector (Charlottesville Transit Service)

"If everyone who carools in Virginia had to drive alone, the added vehicles would create two lanes of parked traffic from Richmond to Orlando."

—DRPT

Administration and Capital Projects Division

- implements large capital projects (i.e. Dulles Corridor Metrorail Project)
- monitors and reports on progress of current projects
- maintains DRPT's records
- provides administrative services for DRPT



On July 22, 2004 FTA Administrator Jennifer Dorn (center) announced with Governor Warner (center), Secretary of Transportation Whittington Clement (left) and DRPT Director Karen Rae the award of an FTA grant for Phase 1 Preliminary Engineering on the Dulles Corridor Metrorail Project.

"Tysons Corner is the second largest east coast retail area outside of New York City."

—DRPT



DULLES CORRIDOR METRORAIL PROJECT BEGINS PRELIMINARY ENGINEERING

Project Description

The project is a 23-mile extension of Metrorail from the Orange Line (between the East and West Falls Church Stations) through Tysons Corner and along the Dulles Corridor to Reston, Herndon, Dulles International Airport and Route 772 in Loudoun County.

It will be built in two phases: Phase 1 – East Falls Church to Wiehle Avenue (11 miles), 5 stations, projected opening date of 2011; Phase II – Wiehle Avenue to Route 772 (12 miles), 6 stations, projected opening date of 2015.

Project Partners

- Federal Transit Administration (FTA)
- Department of Rail and Public Transportation (project sponsor)
- Virginia Department of Transportation
- Washington Metropolitan Area Transit Authority
- Fairfax County (including the Town of Herndon)
- Metropolitan Washington Airports Authority
- Loudoun County

Project Status

The first engineering phase of the project (called Preliminary Engineering) was initiated in July 2004 for Phase 1 following FTA approval and is scheduled for completion in October 2005. In addition to advancing the project's design, Preliminary Engineering will deliver a detailed cost estimate and schedule for final design and construction. Additional engineering for Phase 2 will begin in April 2005 and is scheduled for completion in April 2006. For more project information, visit www.dullesmetro.com.

Project Benefits

This project will improve mobility in the Dulles Corridor and the region by providing high-quality, high-capacity transit service that is like adding four highway lanes on the Dulles Toll Road during peak hours. The economic and environmental health of the region will also benefit from the project.



The Dulles Corridor Metrorail Project Map is shown above.

“Tysons Corner is the largest business center in the Washington region not served by Metrorail.”

–DRPT

PARKING / IMPROVEMENTS TO METRO STATIONS

Parking at Franconia-Springfield and West Falls Church Stations

Through state and local funding, WMATA has expanded parking at its Franconia-Springfield and West Falls Church Stations by 1000 and 1100 spaces respectively.

King Street Station Improvements

This project is underway and features the expansion of the station mezzanine; a new elevated walkway; two new elevators and a stairway to provide access to the elevated walkway; a new canopy; a new station kiosk; and farecard machines.



The new West Falls Church parking deck makes riding the Metro more convenient.

- provides financial services
- processes agency procurements
- manages Internet and database applications
- offers IT support
- develops DRPT's budget



Farebox revenue (user fees) provides approximately 29% of the funding to cover total transit expenses.

ONLINE APPLICATION PROCESS INCREASES SPEED, ACCURACY AND CONVENIENCE

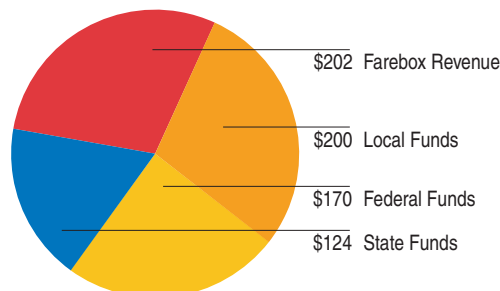
On-Line Grant Application System

DRPT has revolutionized its grant application process for state aid with the implementation of the On-Line Grant Application (OLGA) system. For the first time, 100 percent of the applicants for DRPT's FY2005 Public Transportation State Aid Program filed requests for financial assistance on-line. DRPT was able to fund \$227 million of the record \$341 million in requests it received from 106 applicants. DRPT's limited program funds are in high demand, even with local match requirements as high as 62%.

The OLGA system is a win-win for DRPT and its customers. It has streamlined the application process, reduced the number of errors in submitted applications and dramatically reduced the amount of time required to review and award grants.

How Public Transportation is Funded in Virginia

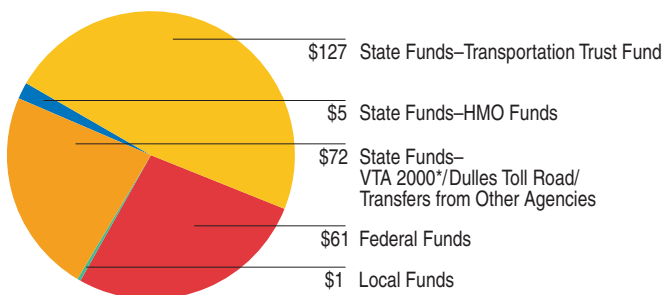
How Public Transportation Providers in Virginia Fund Their Services:
Total FY05 Public Transportation Investment in Virginia
Total: \$696 million



Public transportation is funded much differently than highways. In FY05, federal and state funds will support between 98 and 100 percent of the cost of building and maintaining Virginia's highways but only 42 percent of the cost of providing transit service in Virginia. Local governments will pay 29 percent and transit riders, through farebox revenue (user fees), will pay the remaining 29 percent.

Where DRPT Funds Come From:

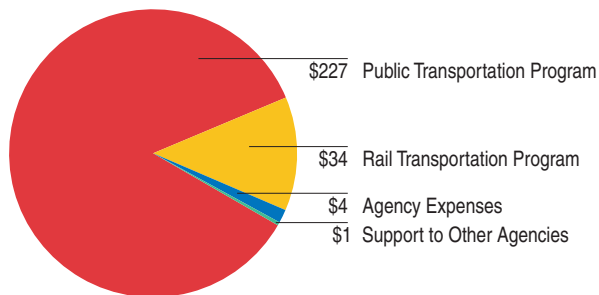
Total: \$266 million



*Virginia Transportation Act of 2000

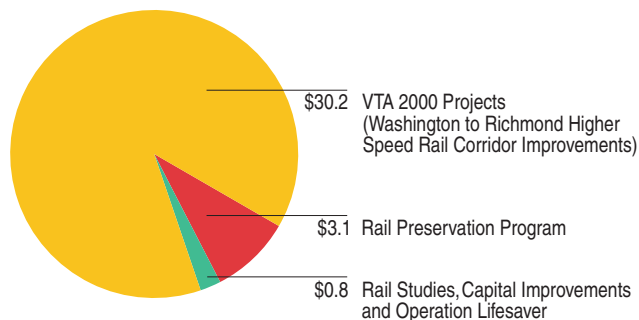
How DRPT Total Funds Are Invested:

Total: \$266 million



How DRPT Rail Program Funds Are Invested:

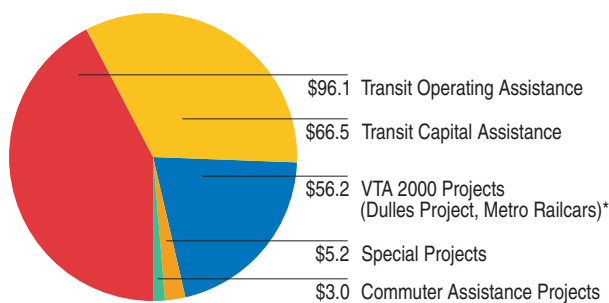
Total: \$34 million



Rail Industrial Access projects are funded through the Industrial Access Program (administered by VDOT).

How DRPT Public Transportation Program Funds Are Invested:

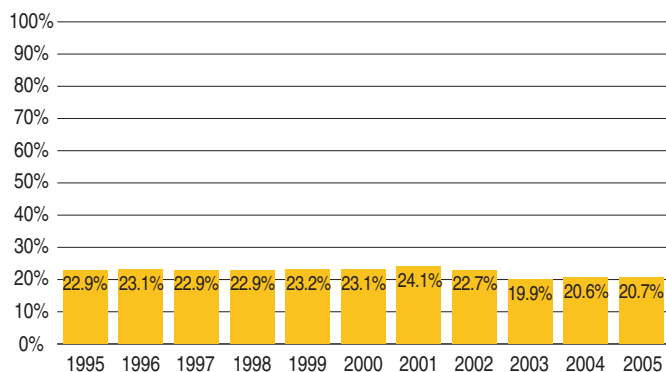
Total: \$227 million



*Includes Dulles Toll Road surplus revenues for Dulles Project

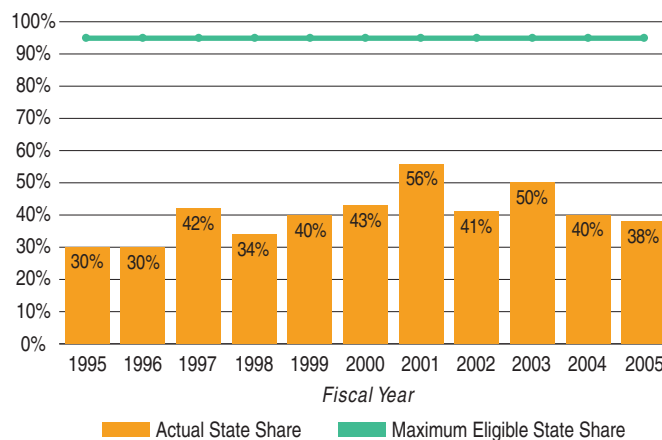
Percentage of Total Public Transportation Providers Operating Expenses Funded by DRPT

State Share of Total Operating Expenses



Percentage of Total Public Transportation Providers Capital Expenses Funded by DRPT

State Share of Capital Expenses



Public Transportation Providers

Alexandria Transit (DASH)
Arlington Transit (ART)
Bay Transit – Middle Peninsula/Northern Neck Area
Blacksburg Transit
Blackstone Area Bus System
Bristol City Bus
Charlottesville Transit Service
City of Fairfax CUE Bus
City of Falls Church (GEORGE)
Clarke County Public Transportation (VRTA)
CART – Harrisonburg Area
Coordinate Area Transportation Service (VRTA)
Culpeper County Transportation Service (VRTA)
Danville Transit
Dickenson County Transportation
District Three Governmental Cooperative – Bristol Area
Star Transit – Eastern Shore Area
Fairfax Connector
Farmville Area Bus
Four County Transit (AASC)
FRED – Fredericksburg
Graham Transit – Town of Bluefield
Greater Lynchburg Transit Company
Greater Roanoke Transit Company
Greene County Transit, Inc.
GRTC Transit System – Richmond Area
Hampton Roads Transit
Harrisonburg Bus Service
JAUNT, Inc. – Charlottesville Area
Lake Area Bus – South Hill Area
Loudoun Co. Dept. of Transp. Commuter Bus
Loudoun County Transit (VRTA)
Mtn. Empire Older Citizens Transit
Page County Transit (VRTA)
Petersburg Area Transit (PAT)
Potomac Rappahannock Transp. Comm. (OmniRide)
RADAR (UHSTS) Roanoke County
Shenandoah Airport Transit Service (VRTA)
Staunton Trolley Transit Service (VRTA)
Town and County Transit – Kenbridge/Victoria area
Town of Culpeper Connector (VRTA)
Town of Orange Transit Service (VRTA)
Virginia Railway Express (NVTC/PRTC)
Warrenton/Fauquier County Transit Service (VRTA)
Washington Metro. Area Transit Authority (WMATA)
Williamsburg Area Transport
Winchester Transit Service

Human Service Transportation Providers

American Red Cross Richmond Chapter
Beth Shalom Home of Richmond
Bon Secours Senior Health
CART – Harrisonburg Area
Central VA Area Agency on Aging
Chesterfield Community Services Board
Crater District Area Agency On Aging /FGP
Eastern Shore Community Services Board
ECHO.INC
Independence Center, Inc.
Fairfax County
Friendship Industries, Inc.
Grafton, Inc.
Hope House Foundation
Junction Center for Independent Living, Inc.
Lake Country Area Agency on Aging
New River Valley Community Services
New River Valley Senior Services
Northwestern Community Services
Peninsula Agency on Aging
Piedmont Community Services
Pleasant View, Inc.
Rappahannock Area Agency On Aging
Rappahannock – Rapidan CSB-AAA
Richmond Area Association for Retarded Citizens
Rockbridge Area CSB
Shenandoah Area Agency on Aging, Inc.
Southern Area Agency on Aging
Southside Community Services Board
STEPS, Inc.
Sussex-Greensville-Emporia Adult Activity Services, Inc.
The ARC of Greater Prince William
The ARC of the Virginia Peninsula, Inc.
Valley Program for Aging Services
Western Tidewater Community Services Board

Commuter Assistance Agencies

Alexandria Rideshare
Arlington County Commuter Service
Commuter Connections – Washington DC Area
Fairfax County RideSources
TRAFFIX – Hampton Roads Area
Loudoun County Rideshare
Middle Peninsula Rideshare
Northern Neck Rideshare
PRTC OmniMatch – Prince William County area
RADCO Rideshare Fredericksburg Area
RideFinders – Richmond Area
RideSolutions – Roanoke Area
RideShare - Charlottesville Area
Valley Commuter Assistance Program – Front Royal Area

Freight Railroads Operating in Virginia

Buckingham Branch Railroad Company
Chesapeake & Albemarle Railroad Company
Chesapeake Western Railway
Commonwealth Railway, Inc.
CSX Transportation
Eastern Shore Railroad
Norfolk & Portsmouth Belt Line Railroad Company
Norfolk Southern Corporation
North Carolina & Virginia Railroad Company
Shenandoah Valley Railroad
Virginia Southern Railroad
Winchester & Western Railroad

Passenger Railroads Operating in Virginia

Amtrak
Virginia Railway Express (NVTC/PRTC)



Virginia Department of Rail and Public Transportation
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